

Free

The 1969  
Annual Report  
of EDP Industries  
Limited

AR79







*Aids to thought and memory have always been with man. The touch of finger to finger, the distance from wrist to shoulder and between pacing feet, his height from ground to head — these were his first data, the parts and sum of man.*

*Today, computer science is as much at man's control as the flexing of his arm, as much part of his volition as the flick of each digit to form a sum.*

*At EDP, the thinking man will always be dominant. Only computers help us to count faster — and more profitably.*





## Board of Directors

W. R. Wood

*President, EDP Industries Limited,  
Vancouver*

Alan M. Eyre,

*President, Dueck on Broadway, Ltd.,  
Vancouver*

B. J. Kaganov,

*Vice-President, Cummings Properties Limited,  
Calgary*

Hugh McDonald,

*President, McDonald Investments Ltd.,  
Vancouver*

E. S. Scaldwell,

*Vice President, EDP Industries Limited,  
Don Mills*

Dr. G. M. Shrum,

*Chairman, B.C. Hydro and Power Authority,  
Vancouver*

## Officers

W. R. Wood, *President*

Edward S. Scaldwell, *Vice-President*

Ray B. Haslam, *Controller*

Isidor M. Wolfe, *Secretary*

## Auditors

Collins, Love, Eddis, Valiquette & Co.,  
Vancouver

## Transfer Agent

Yorkshire Trust Company, Vancouver

## Shares

92,920 Preferred  
567,460 Common  
*Listed on Vancouver Stock Exchange*

## Offices

### **CORPORATE OFFICES**

EDP Industries Limited,  
401 — 1111 West Hastings Street,  
Vancouver 1, B.C.

Pacific Leasing Corporation Limited,  
401 — 1111 West Hastings Street,  
Vancouver 1, B.C.

### **CENTRAL REGION**

40 Wynford Drive,  
Don Mills, Ontario

### **EASTERN REGION**

525 - One Westmount Square,  
Montreal, P.Q.

### **WESTERN REGION**

2256 West 12th Avenue,  
Vancouver 9, B.C.

1075 Melville Street,  
Vancouver 5, B.C.

# Highlights

|   | 1969       | 1968      |
|---|------------|-----------|
| Total Revenues                                | 2,940,445  | 1,042,899 |
| Expenses                                      | 2,750,332  | 1,028,989 |
| Operating Net Profit (Before Taxes)           | 190,113    | 13,910    |
| Provision for Income Taxes                    | 153,312    | 7,500     |
| Net Profit                                    | 36,801     | 6,401     |
| Add: Extraordinary item                       | 100,000    | Nil       |
| Less: Minority interest in subsidiary company | 1,154      | Nil       |
| Consolidated Net Profit                       | \$ 135,647 | 6,401     |







From left to right:  
Hugh McDonald, E. S. Scaldwell,  
W. R. Wood, Dr. G. M. Shrum  
B. J. Kaganov, Alan M. Eyre.

# President's Message to the Shareholders

Your Company made significant strides toward attaining its goal of becoming a multi-national, computer-oriented company during 1969.

Revenues from data processing services doubled and Pacific Leasing Corporation Limited revenue increased by 23%. It should be noted that because we have adopted the recommendation of the Canadian Institute of Chartered Accountants to set up deferred taxes our net operating profit for the year was reduced by a little over \$156,000.

In January of 1969, your Company acquired Precise Data Services, an input-preparation and personnel placement company whose Vancouver services have been extended to our Toronto and Montreal Branches. We also acquired Commercial Computer Services, a data processing company which specializes

in package programs. The major event of 1969 was the formation of Tymshare Canada Limited, a joint venture of EDP Industries and Tymshare, Inc. of Palo Alto, California — the world's largest independent time-sharing organization. Through Tymshare Canada, your Company will be able to provide customers with the most sophisticated and up-to-date time-sharing service available anywhere in the world. Additionally, we will not face the development and equipment costs normally associated with the opening of time-sharing operations.

This year we plan to open our first consulting office in the United States in San Francisco, California. The business potential in this and other areas in the USA is excellent and we anticipate opening up other offices in that country upon further examination of the various markets.

The "unbundling" by computer manufacturers of their products and services will be of direct benefit to us as it will substantially broaden the market for our systems and consulting services.

Industry statistics indicate that by 1975 the Data Processing Industry will be the largest

single industry in the world. In order that we might capitalize fully on the growth of this industry during the next decade we must establish a firm financial base that will ensure the success of your company in both the short and long term. Therefore, we have actively embarked upon a program to acquire companies that enhance the financial stability of the organization. By achieving a complementary blend of expansion in the Data Processing Industry, we are confident that your company will be one of the strongest in the Data Processing Industry in North America.



W. R. WOOD  
President

April 9, 1970







# EDP Industries in 1969

The year 1969 was one of growth and change for your company. A result of this was the adoption of a new company name: EDP Industries Limited, supplanting EDP Data Centres Limited. The new name, approved at a special meeting of shareholders in Vancouver, reflects the expanding services that EDP provides the business community.



## SYSTEMS AND CONSULTING

Systems and consulting services ended the year with a staff of 75 highly-trained programmers and analysts and with a substantial increase in earnings over the previous year. Systems and consulting is responsible for developing quality systems and programs for data processing equipment. Many computer users have found that the shortage of qualified personnel requires them to depend to a great degree on outside sources for their day-to-day systems requirements and for specialized and overload systems, programming and data processing consulting services. Systems and consulting services are also utilized by industry to advise on the feasibility and scope of possible data processing expenditures.

1969 saw computer manufacturers begin to "unbundle" their products and services. This means that for the first time "hardware" will be sold separately from "software", thus expanding the market for our systems and consulting services.



## DATA CENTRES

Data Centre services contributed significantly to the growth of the company during the year. The data centres in Toronto, Vancouver, and Montreal serviced 200 contract customers and several hundred additional "one-time" users, assisting these clients with powerful computers and a large number of data preparation devices. The Vancouver and Montreal centres utilize Honeywell model 200 computers while a larger Honeywell 1250 computer and a Honeywell 125 have been installed in Toronto. To satisfy the future needs of our clients, our research department is currently developing comprehensive "package" programs for such business functions as payroll, accounts receivable and inventory control. A package program is designed so that it can be used by many clients with few, if any, changes to the basic program. The economies to both the user and the data centre are significant.





# 3 DATA ENTRY

A major task facing the computer user is the transcribing of source data from the usual typed or written form of everyday business into computer accepted input. As this input can take many forms — punched card, paper tape or magnetic tape — it is a task for which the data entry service of EDP is well suited. With 80 input devices across Canada this service is equipped to handle the highest volumes. Beyond the actual transcribing function it can also provide customers with a task force of clerical people to assist with the coding, checking and editing functions so often necessary in the early stages of conversion to a computer.

During 1969 some 370 customers utilized data entry services. As the need increases to automate business systems, so will the demands placed on this service both for assistance on a repetitive basis as well as for the overload and conversion requirements of its many customers.



## PERSONNEL SELECTION

# 4

The need for qualified personnel is one well known within the computer industry. To fill this need EDP offers a personnel selection service. This service has been much in demand during 1969 and certainly will continue to be so in the coming year.

There are many reasons why a client will choose this method of recruiting his personnel. The most obvious is the time he saves in screening, testing and interviewing interested applicants. These functions are all performed by the personnel selection division on a continuing basis and only select applicants are sent to the client. Recognizing that good people are the nucleus of every good business as well as a basic need within the industry, this service is prepared for a busy and productive year.

## TYMSHARE CANADA LIMITED

# 5

In mid year, EDP Industries announced a national network of time-sharing centres in Canada as part of a joint venture with one of the most successful time-sharing companies in the U.S.A., Tymshare, Inc. of Palo Alto, California. EDP, as a result of its majority interest in a new company, Tymshare Canada Limited, has assumed responsibility for the management and marketing of all Canadian time-sharing services. Time-sharing offers the user direct access to the computer via regular telephone lines and is ideally suited to solve the more complex problems encountered in engineering, science, education and research.



## PACIFIC LEASING LIMITED

# 6

Our leasing subsidiary operated at its optimum during 1969. Business was excellent and was only restrained by the unavailability of cash for expansion.

Companies have found that leasing equipment offers many advantages over outright purchase particularly since capital can be freed for more productive uses.

The leasing division offers the advantages of equipment leasing to over 400 manufacturing, construction, merchandising and commercial companies across Canada.



# EDP Industries Limited

## Consolidated Balance Sheet

as at November 30, 1969 (with comparative figures for 1968)

| Assets   | 1969                | 1968               |
|--|---------------------|--------------------|
| <b>CURRENT:</b>  |                     |                    |
| Cash   | \$ 2,118,387        | \$ 26,622          |
| Accounts receivable less allowance for doubtful accounts — \$10,133  | 725,755             | 199,603            |
| Income taxes recoverable   | 31,649              | 4,386              |
| Unbilled charges at billing value  | 48,876              | 34,490             |
| Prepaid expenses   | 94,291              | 24,017             |
| Current portion of lease contracts receivable  | 2,265,000           | —                  |
|  | \$ 5,283,958        | \$ 289,118         |
| <b>LEASE CONTRACTS RECEIVABLE</b> — due in instalments to 1977 less allowance for possible losses on lease contracts \$127,783 | \$6,655,176         |                    |
| Less: Current portion shown above  | <u>2,265,000</u>    | 4,390,176          |
| <b>RENTAL EQUIPMENT</b>  |                     |                    |
| — at estimated residual value (Note 1)   | 1,099,219           |                    |
| <b>FIXED — AT COST:</b>  |                     |                    |
| Equipment and leasehold improvements   | \$ 372,224          |                    |
| Less: Accumulated depreciation and amortization  | 64,867              | 307,357            |
|  |                     | 74,463             |
| <b>OTHER:</b>  |                     |                    |
| Establishment costs (Note 2)   | \$ 767,223          | \$292,889          |
| Product development  | 197,032             | —                  |
| Excess of cost of shares of subsidiaries over net book value and goodwill  | 692,863             | 581,545            |
| Share issue and merger costs   | 292,164             | 113,392            |
| Discount and expenses of long-term debt less amounts amortized   | 27,530              | —                  |
|  | 1,976,812           | 987,826            |
|  | <u>\$13,057,522</u> | <u>\$1,351,407</u> |



**Liabilities**

1969

1968

**CURRENT:**

|  |              |           |
|--|--------------|-----------|
| Bank advances — secured                  | \$ 2,578,676 | \$ 11,000 |
| Accounts payable                         | 426,834      | 111,666   |
| Accrued liabilities                      | 78,499       | —         |
| Customer deposits                        | 26,606       | 15,380    |
| Notes payable                            | 269,172      | —         |
| Current portion of long-term debt        | \$ 55,000    |           |
| Less: Held for sinking fund requirements | 17,281       | 37,719    |
|  |              | 60,000    |

\$ 3,417,506

\$ 198,046

**LONG-TERM DEBT:** (Note 4)

\$1,644,000

Less: Current portion shown above

55,000

1,589,000

130,000

**SUBSCRIPTIONS RECEIVED** for 7% Convertible Sinking  
Fund Debentures (Note 6)

2,236,050

—

**DEFERRED INCOME:**

Lease rentals received in advance \$ 127,629

Unearned income on lease contracts (Note 3) 1,490,477 1,618,106**DEFERRED INCOME TAXES** (Note 5)

128,482

**MINORITY INTEREST IN SUBSIDIARY**

6,519

**SHAREHOLDERS' EQUITY:**

Share Capital (Note 10)

Authorized — 100,000 5% cumulative, redeemable  
convertible preferred shares Series A —  
par value \$25.00 \$2,500,000  
1,000,000 common shares, no par value

Issued and fully paid — 92,920 preferred shares \$2,323,000

\$ —

567,460 common shares 1,735,5581,067,663

\$4,058,558

\$1,067,663

**SURPLUS**

3,301

4,061,859

(44,302)

1,023,361

\$13,057,522\$1,351,407

# EDP Industries Limited



## Consolidated Statement of Operations

for the year ended November 30, 1969 (with comparative figures for 1968)

|   | 1969              | 1968            |
|---|-------------------|-----------------|
| <b>REVENUES:</b>  |                   |                 |
| Data processing services                                    | \$2,111,523       | \$1,042,899     |
| Income earned on lease contracts                            | 828,922           | —               |
|   | \$2,940,445       | \$1,042,899     |
| <b>EXPENSES:</b>  |                   |                 |
| Salaries and employee benefits                              | \$1,353,072       | \$628,481       |
| Machine and premises rentals                                | 456,891           | 238,323         |
| Operating supplies and expenses                             | 311,654           | 88,626          |
| Administration expenses                                     | 283,282           | 58,574          |
| Interest and financing expenses                             | 313,431           | 9,292           |
| Depreciation and amortization                               | 32,002            | 5,693           |
|   | 2,750,332         | 1,028,989       |
| <b>NET PROFIT BEFORE INCOME TAXES</b>                       | \$ 190,113        | \$ 13,910       |
| <b>PROVISION FOR INCOME TAXES:</b>                          |                   |                 |
| Payable (Recoverable)                                       | \$ (2,801)        | \$ 7,500        |
| Deferred (Note 5)   | 156,113           | 153,312         |
|   | —                 | 7,500           |
| <b>NET PROFIT</b>   | \$ 36,801         | \$ 6,410        |
| Add: Extraordinary item                                     | 100,000           | —               |
|   | \$ 136,801        | \$ 6,410        |
| Less: Minority interest in net profit of subsidiary company | 1,154             | —               |
| <b>CONSOLIDATED NET PROFIT</b>                              | <u>\$ 135,647</u> | <u>\$ 6,410</u> |

## Consolidated Statement of Surplus

for the year ended November 30, 1969

|  |                 |
|--|-----------------|
| <b>DEFICIT</b> , beginning of year       | \$ 44,302       |
| Add: Net profit for the year             | \$ 135,647      |
| Adjustment of Income Taxes               | 27,967          |
|  | 163,614         |
|  | \$ 119,312      |
| Less: Dividends paid on preferred shares | 116,011         |
| <b>SURPLUS</b> , end of year             | <u>\$ 3,301</u> |



# Notes to the Consolidated Financial Statements

as at November 30, 1969

1. The cost of rental equipment shown on the balance sheet at estimated residual value of \$1,099,219 at November 30, 1969 was \$10,700,000.

## 2. Establishment Costs

The company has adopted a policy of capitalizing operating losses of each branch office for a two year period after commencement of business and showing these losses as additional costs of establishing these branches. The effect of this policy on operating results for the year ended November 30, 1969 is to capitalize losses of \$474,334 (1968 — \$292,889) and to increase consolidated income accordingly.

3. Unearned income includes \$652,000 which will be earned within one year.

4. The long-term debt shown as \$1,644,000 comprises the following:

### DEBENTURES:

|   |           |
|---|-----------|
| 7% Sinking Fund Debentures, Series A, maturing November 15, 1975, with sinking fund requirements of \$10,000 annually until maturity. | \$104,000 |
|---|-----------|

|  |         |
|--|---------|
| 7% Sinking Fund Debentures, Series B, maturing October 1, 1977, with sinking fund requirements of \$10,000 annually until maturity | 118,000 |
|--|---------|

|  |        |
|--|--------|
| 6¾% Convertible Sinking Fund Debentures, Series C, maturing August 15, 1981, with sinking fund requirements of \$25,000 annually to 1981 (the total of this issue outstanding is actually \$465,000 of which \$423,000 represents intercompany holdings) | 42,000 |
|--|--------|

### COLLATERAL TRUST NOTES:

|   |         |
|---|---------|
| 6% Collateral Trust Notes, Series B, maturing May 1, 1973 | 650,000 |
|---|---------|

|  |                    |
|--|--------------------|
| 6¼% Collateral Trust Notes, Series C, maturing May 15, 1980, with sinking fund requirements of \$35,000 annually to 1979 | 730,000            |
|  | <u>\$1,644,000</u> |

In addition, \$2,000,000 Series A Collateral Trust Notes are held by the company's bankers as security for the company's bank loan.

## SECURITY

The collateral trust notes are secured by lease contracts receivable amounting to \$6,655,000 pledged as collateral.

## CONVERSION RIGHTS — SERIES C DEBENTURES

The debenture holders may, up to August 14, 1976, convert each one thousand dollar debenture into forty-five Class A common shares of a subsidiary.

5. During the year the company adopted the policy of recording deferred tax in its accounts. The effect of this policy on operating results for the year ended November 30, 1969 is to decrease consolidated net income by \$156,113.

The unrecorded deferred tax liability from prior years amounts to \$525,000.

6. A rights offering to preferred and common shareholders for \$2,631,500 7% Convertible Sinking Fund Debentures due December 1, 1984 was made October 7, 1969. Subsequent to the balance sheet date an additional \$139,050 was received and the \$2,631,500 7% debentures were issued on December 1, 1969.

continued next page

7. Total remuneration paid to directors was \$59,500 for the year ended November 30, 1969.

8. **LEASES**

The company has leased four computers and auxiliary equipment for a five year period ending July 18, 1974 at a rental aggregating approximately \$458,000 annually. The company has leased

premises for various terms to February, 1979 with approximate annual rentals of \$175,000.

9. **SOURCE AND APPLICATION OF FUNDS**

The nature of the leasing business (a material portion of the company's assets) is such that a statement of source and application of funds is not meaningful and accordingly such a statement has not been prepared.

10. The changes in share capital are set out below:

|                                | 5% Cumulative<br>Redeemable Convertible<br>Preferred Series A<br>Par Value \$25.00 |             | Common<br>No Par Value |             |
|--------------------------------|--|-------------|------------------------|-------------|
|                                | Shares   | Dollars     | Shares                 | Dollars     |
| Balance, November 30, 1968     | —  | —           | 529,500                | \$1,067,663 |
| Issued to acquire subsidiary   | 92,920   | \$2,323,000 | 4,000                  | 80,000      |
| Issued for cash                | —  | —           | 30,000                 | 570,000     |
| Issued for exercise of options | —  | —           | 3,960                  | 17,895      |
|                                | 92,920   | \$2,323,000 | 567,460                | \$1,735,558 |

## Auditors' Report

*To the Shareholders of  
EDP Industries Limited*

We have examined the consolidated balance sheet of EDP Industries Limited and subsidiary companies as at November 30, 1969 and the consolidated statements of surplus and operations for the year then ended. Our examination included a general review of the accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion, the accompanying consolidated balance sheet, statements of surplus and operations present fairly the financial position of the Company as at November 30, 1969 and the results of its operations for the year then ended in accordance with generally accepted accounting principles applied on a consistent basis, except as set out in Note (5) to the financial statements.

COLLINS, LOVE, EDDIS, VALIQUETTE & BARROW,  
*Chartered Accountants*

Vancouver, B.C.

April 8, 1970.



## Some of our Clients...



Prentice-Hall of Canada Ltd., is the Canadian arm of the world-wide publishing organization Prentice-Hall Inc. and is one of the largest publishers of text books in Canada. The company publishes and distributes books of general interest, elementary, secondary and university text books along with related audio-visual materials. To meet the ever-increasing demand for information and knowledge, the company has rapidly expanded its Canadian publishing program and maintains a large field staff of resident representatives throughout all major cities of the country. To keep an up-to-date record of its vast inventory Prentice-Hall counts on EDP Industries for its daily billing and a regular stock status report.

### *the Bayshore Inn*

The Bayshore Inn in Vancouver is a major hotel in the Western International Hotels' organization. This luxury hotel by the sea has just completed a 20-storey addition bringing its total rooms to 522, and has added additional convention facilities and other services, making it one of the outstanding hotels in the world. A large hotel's total permanent and part-time staff varies considerably depending on business peaks coinciding with major conventions or meetings, and to make sure each of the more than 300 employees receives his pay cheque in the proper amount and on time the Bayshore Inn employs EDP Industries Checkmate payroll system.

## HILROY

The largest manufacturer of school supplies and stationery in Canada, with distribution facilities from coast-to-coast, is Hilroy Envelopes & Stationery Limited of Toronto. Hilroy manufactures commercial envelopes of all sizes, shapes and styles, in addition to the school supplies and stationery that it produces. Keeping accurate records of this tremendously diversified product line and customer needs across Canada is a major job, but Hilroy does it by employing EDP Industries for inventory control, order analysis, accounts receivable and sales analysis.



Two other industries we serve are financial and airlines. Yorkshire Financial Group is one of the major financial organizations in British Columbia. Through its subsidiaries, Yorkshire Trust Company, Boulton Sweet Realty Limited, Yorkshire Insurance Managers Ltd., and other companies, it operates in the real estate sales and development, trust and insurance industries. Pacific Western Airlines is a major Canadian airline serving Western Canada and the Arctic, and it has planes and men on the move constantly over wide areas. Keeping track of all the financial forms and contracts and of machines and cargos is a complicated job, but EDP Industries, with a total range of services, meets the needs of both clients. For Yorkshire, EDP is currently designing and

programming accounting and management information systems which encompass all areas of the Yorkshire's activities. For Pacific Western Airlines, EDP Industries processes flight statistics, a yearly inventory, and is also retained to design and program a custom payroll system. Pacific Leasing Corporation Ltd. leases a DC-6B aircraft, a jetway loading bridge, printing equipment and high lift trucks for the airline's use.

## Friden

The Friden division of Singer Company of Canada Limited sells mailing equipment, calculators and adders, and data processing peripheral devices for use in connection with computers. For Friden, EDP Industries provides sales analysis and inventory control.

When people who set an elegant table think of china, they think of Worcester — Worcester Royal Porcelain Co. Ltd., makers of the finest of fine bone china. When Royal Worcester Canada wanted its sales analysis and inventory computerized, it thought of EDP Industries Limited.



These are just some of the services which EDP Industries provides. Every day, our horizon is expanding.

# A new industry's wild ride

**Computer-based services, now a \$2-billion business, grow 25% a year. Behind the surge: Business' desperate need to process fast and cheaply a rising flood of information**

AMONG THE BUZZ WORDS on Wall Street these days, some of the catchiest are software, computing utilities, data banks, multi-access systems, and time sharing. They help sell all sorts of stocks ending in "etics" and "amics" to speculators who don't know the difference between COBOL and FORTRAN—and don't want to; they simply know the stocks tend to be "hot issues."

But behind the glamour is a solid fact: Largely in the past five years, vendors of computer power and computing skills—have created the world's fastest-growing business: the computer-based services industry.

It's a business that's growing by 25% a year now—twice as fast as computer equipment sales. In fact, analysts think it will get bigger in the next five years than the computer makers did in their first 20.

GLUT CUTTING. Computers are the capital equipment, not the product, in this field. The raw material is the paperwork glut and the information explosion, and the end products are dozens of electronic data processing services for handling chores as varied as Pinkerton's payroll, junior's report card, designs for new bridges, and instant credit card checks.

## NEXT-ELECTRONIC CREDIT CARDS

Get ready for the evolution . . . credit cards are going electronic. Credit cards in the future will have no raised letters or font. Instead, they will be electronic and will activate terminals which in turn will feed into fund transfers computers . . . putting the clearing house, as we know it today, out of business. Bankers will have to decide on a date beyond which they would switch from first to second generation credit cards and related systems.

The customer doesn't have to leave his office or own a computer to get the service. If he's a broker, he just pushes a couple of buttons to check the latest stock prices instantly. Computer and communications men are even working on ways to push buttons to place buy and sell orders. Other remote-control EDP services on the drawing boards include computerized law enforcement and interagency data banks for the government. Banks are in the business two ways: Some farm out EDP work to computer service companies, and many supply "automated services" to their own customers—a big step on the road to the "checkless-cashless society."

BRAIN POWER. Indeed, since the name of the game is know-how, almost everybody can and does play. Unlike major production industries, most of which grew from the nucleus of a single invention, product, or raw material, computer-based services sprout wherever a few brainy people with EDP savvy gather around a computer.

MADE TO ORDER. Some will take home a whole problem and bring back the answer. Others will do the programming for a company's in-house computers. Still others will install a data transmission terminal for a customer and put it "on line" by telephone wire or microwave to computer centers miles away.

## Programming for profits

Obviously this young industry is going to reshape the internal structure of many businesses, amplifying the effect computers have already had. It is not only capable of taking over many services that companies now perform on their own computers, but will add many new ones, simply because development, programming, and operating costs can be shared among many subscribers.

KNOWLEDGE ON TAP. The bait for simply joining the customer list is almost

irresistible. Multiple-access computer systems already provide sophisticated EDP resources that only a few very large corporations could afford to set up on their own.

For small businesses, the greatest computers in the world are now as accessible as the nearest telephone plug. For real estate men, for example, there's a data bank with instant readings on available properties across the country; for merchants, there's Telecredit's credit-checking service; for hospitals, there's the Medinet package of data processing services.

These are pioneering remote-computer and time-sharing services. Now, new data banks are being perfected to pour out voluminous financial reports, worldwide inventory and pricing information, econometric models, industry employment surveys, and much more.

The powerful newcomers from other industries are counting on carving out chunks of the service business by combining their knowledge of their own operations with computer expertise.

## Computers Create Jobs

When computers first came on the scene after the Second World War, there were dire prognostications that the electronic "brains" would eventually cause widespread unemployment, particularly among unskilled and semi-skilled workers. Already in the design stage, for instance, were complete steel mills that could be operated by one man pushing buttons.

Others predicted that what had been true for every other technological innovation would be true for computers — that while some odd jobs would undoubtedly be abolished by automation, new and better-paying jobs would be created.

Thus far the optimists seem to have been right. One of the most critically labor-short areas is in the field of computers, where an estimated shortage of 300,000 programmers currently exists in the United States and Canada.

## Computers Soon To Perform Myriad Of Tasks

Long distance calls to outer space, banking and calculating the annual tax return are a few of the jobs which telephones linked to computers will handle in the decade ahead.

These functions and many more will be possible through advances in telephone communication techniques in the not-too-distant future, according to Alberta Government Telephones planners.

"We are sure we will be able to transmit information in almost any form, with much greater speed and economy than anything possible today," an official said.

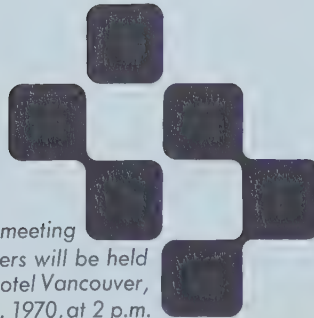
"People are going to decide what they want communications to do. The possibilities are almost unlimited. If our customers need it and want it, we think we will be able to give it to them."



## Do you have Compuphobia?

Office workers of Canada — do you feel threatened by the computer? Relax, it is, in fact your ally. Tom Wilde, supervisor of systems and procedures at The Steel Company of Canada told the Administrative Management Society's Area 5 annual convention held recently in Hamilton that machines such as the computer were not only helping to take the drudgery out of office work, they also demanded better educated people. "For these kind of skills, companies will have to pay even more in the future," he said. Wilde predicted that white collar salaries would soon catch up with those of blue collar personnel.

The annual meeting  
of shareholders will be held  
in the Social Suite, Hotel Vancouver,  
on May 29, 1970, at 2 p.m.



# Computer Glossary

**HARDWARE:**

The pieces of electronic equipment that make up a computer system.

**SOFTWARE:**

The programs that are used by the hardware to perform various tasks such as payroll processing.

**PROGRAM:**

A series of instructions that the hardware must execute in a specified sequence to perform a task.

**SYSTEM:**

A group of related programs.

**PROGRAMMER:**

A highly trained specialist who takes a broadly-defined task and breaks it down into a series of simple instructions (a program) that, when executed, will cause the hardware to complete that task.

**PACKAGE PROGRAM:**

A general program or collection of programs that is designed to solve the same problem for a large number of different computer users.

**TIME-SHARING:**

A sophisticated blend of hardware and software that allows multiple users instant access and response to a powerful computer from a terminal located in their own office.

**UNBUNDLING:**

A computer manufacturer's new sales policy to charge separately for the hardware, software, consulting services and the education of the computer user's personnel. Before "unbundling", all special services were included in the price of the hardware.





From:  
EDP INDUSTRIES LIMITED

Contact:  
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Canada's largest independent computer services company is branching out into the United States.

EDP Industries Limited of Vancouver plans to open its first consulting office this year in San Francisco.

President W.R. Wood said in the company's annual report, released today, that the business potential in San Francisco and other areas in the U.S.A. is excellent and he added: "We anticipate opening up other offices in that country upon further examination of the various markets."

Wood said the "unbundling" by computer manufacturers of their products and services will directly benefit EDP as it will substantially broaden the market for the company's systems and consulting services.

("Unbundling" is the new policy under which computer manufacturers will charge separately for computers and the consulting services, programming and education of the computer user's personnel. Previously, these special services were included in the price of the "hardware".)

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The EDP president said that by 1975 the data processing industry will be the largest single industry in the world.

"To capitalize fully on this growth, we must establish a firm financial base that will ensure the success of your company in both the short and long term," Wood told shareholders.

"Therefore, we have actively embarked upon a program to acquire companies that enhance the financial stability of the organization."

As reported in an interim statement, EDP's revenues for 1969 were \$2.1 million. Revenues from the company's data processing services doubled in the year and revenue of Pacific Leasing Corporation Limited increased by 23 per cent.

Wood said EDP Industries has adopted the recommendation of the Canadian Institute of Chartered Accountants to set up a fund for deferred taxes. This reduced the net operating profit for the year by \$156,000.

Consolidated net revenue for 1969 was \$135,647.

EDP Industries bought Precise Data Services of Vancouver in 1969, and has extended the operations of this data input-preparation and personnel placement company to the Toronto and Montreal branches. Also acquired was Commercial Computer Services, a company specializing in package programs.

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Formation of Tymshare Canada Limited, a joint venture with Tymshare, Inc. of Palo Alto, California, will allow EDP Industries to provide the most sophisticated and modern time-sharing service available anywhere.

"Additionally," said Wood, "we will not face the development and equipment costs normally associated with the opening of time-sharing operations."

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May 14, 1970.



